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C O N F I D E N T I A L SECTION 01 OF 03 MOSCOW 005417

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E.O. 12958: DECL: 11/16/2017 TAGS: <u>PGOV PINR PREL KDEM RS</u>

SUBJECT: RUSSIA'S RADICAL LIBERALS - SPS PARTY SHIFTS INTO

OPPOSITION

Classified By: Ambassador William J. Burns. Reason: 1.4 (d).

Summary

 $\underline{\mathbb{1}}$ 1. (C) The announcement this week that Russia's Union of Right Forces (SPS) will take part in "Dissenters' Marches" marks the final step in the party's rapid evolution from a "constructive opponent" to total opposition. Over the past six weeks, SPS leaders have radically changed their electoral strategy away from a "gentleman's agreement" with the Kremlin to direct attacks on Putin, including an appeal to the Supreme Court to have him removed from the ballot. SPS leaders explain their increasingly radical approach as a reaction to unwarranted government attacks. Others see the party leadership's more aggressive tactics as a calculated electoral strategy to garner votes from "non-traditional" sources. Already, some here believe that the party's core constituency is unlikely to follow the leadership into "total opposition," potentially leading to divisions and defections. Moscow's political observers see little hope that the new strategy will provide sufficient impetus to propel the party across the 7 percent threshold for participation in the Duma. END SUMMARY.

## A Party at War

- 12. (C) In a conversation on November 10, SPS deputy leader Leonid Gozman linked the start of the party's conflict with the Kremlin to Putin's October 1 decision to head United Russia's (YR) Duma ticket. From that moment, criticism of YR—the party that SPS saw as its primary opponent in the Duma campaign—by definition became criticism of Putin himself. Gozman claimed that the Kremlin was "not interested" in having SPS in the legislature and instead had pinned its hopes on a two-party Duma, with the Communists as a "comfortable" partner. In part, he believed that the administration hoped that such a scenario would help gain sympathy from the West, which would see YR as "the new liberals" pitted against revanchist leftists.
- 13. (C) To achieve their electoral goals, YR needs at least 60 percent of the vote on December 2, but Gozman claimed that the Kremlin has insisted on taking 75 to 80 percent of the vote, some of which must come from SPS. To that end, he said that the Kremlin had issued a directive to regional leaders that gave primacy to attacks against SPS. Gozman's catalogue of "black methods" used across Russia against the rightists tracked with those detailed by SPS Head Nikita Belykh at November 2 press conference, including:
- -- The seizure of campaign materials in Omsk, Krasnoyarsk,

Moscow, Perm, and Izhevsk;

- -- Arson attacks on SPS buildings and homes of party activists;
- -- "Spontaneous" demonstrations against SPS officials and buildings;
- -- Hacker attacks against the SPS party website;
- -- The distribution in several regions of leaflets claiming that had been SPS was hiring campaign workers with AIDS.
- 14. (C) Gozman also said that the administration had blocked funding, setting a "Berlin wall" between the electricity giant United Energy Systems (UES), whose top officials hold leading positions in SPS, and the party. (Gozman saw no conflict of interest in the management of a largely state-owned entity using company funds to support one political party.) Businessmen who had previously contributed to party coffers no longer make contributions or even loans, out of "fear," according to Gozman. Without other funding streams, SPS leaders are relying on their own considerable fortunes to finance the campaign.
- ¶5. (C) Gozman also accused the administration of bringing pressure on individual party members and prominent political players to keep them from taking part in the election. According to press reports, at least 6 SPS candidates, including wrestler Vakha Yevloyev in Ingushetiia, have abandoned their campaigns. Political scientist Dmitriy Oreshkin told Embassy that even though he is on the SPS list in Chelyabinsk, he has not traveled there because administrative harassment would make such a trip "senseless." In this environment, SPS officials explain the recent decisions by some regional Duma candidates to withdraw from the race as a result of administration turning the screws. Gozman alleged that even Republican Party Head Vladimir

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Ryzhkov was flirting with a Kremlin offer that would remove him from the political landscape. (Gozman -- no fan of Ryzhkov -- said that SPS had also made "some proposals" to the popular liberal politician.)

# Going for the Kremlin Jugular

- 16. (C) Gozman and other party leaders trumpet SPS as the only party to directly criticize Putin. The party has adopted a sharp twist on the ubiquitous United Russia maxim, using -- "Putin's Plan A Path to a Dead-End" -- as its election slogan. In debates and public comments, the party has hammered the administration on corruption issues and the emergence of a cult of personality around Putin. In an election debate last week, Boris Nemtsov even jabbed that Putin is the "cleanest spot in Russia," since he had been "licked clean" by a coterie of sycophants. SPS commercials juxtapose Nemtsov's criticisms of the emerging Putin cult with images of Soviet era leaders in their limousines.
- 17. (SBU) SPS has also pursued YR through the courts and Central Election Commission, complaining that Putin's "Direct Line" press conference was a three-hour political advertisement before the official launch of the "agitation" phase of the campaign. (The CEC ruled that the event was "informational" and thus not a violation.) On November 15, Belykh called a press conference to announce his party's appeal to the Supreme Court to annul Putin's registration as a candidate for the Duma, in light of what the rightists see as violations of electoral legislation and the use of his office to organize administrative pressure against SPS.
- 18. (C) SPS's most radical step was the announcement this week that it would take part in the "Dissenters' March" in Moscow and St. Petersburg before the elections. According to Deputy Editor of the newspaper Vzglad Sergey Ilin, Nemtsov first mooted the idea on his "Live Journal" blogsite, but it was quickly picked up and confirmed by Belykh on November 12. Such a decision marks a turning point for the party

leadership, who recognize that it crosses a Kremlin red line. (Gozman told Embassy last May that SPS avoided "Other Russia" because association with them would trigger immediate political "decapitation" by the Kremlin (ref a).) It remains to be seen how the "anti-establishment" movement will relate to SPS, which had long avoided contact because of the prominent role played by the radical National Bolsheviks, or how the Kremlin will respond.

#### A Little Context

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- 19. (SBU) There is likely more going on with SPS than the party leadership's spin would have us believe. Regarding the assertion that the Kremlin has a particular vendetta against the rightists, other parties also complain about similarly heavy-handed measures (ref B). For example, a November 9 article in the Kommersant newspaper revealed that all political parties, including the Liberal Democratic Party of Russia (LDPR) and the Communist Party of the Russian Federation (KPRF) have had election materials confiscated and have complained about the use of administration resources against their regional branches.
- 110. (SBU) Comparison to other parties also provides context for considering SPS's financial woes. According to the Central Election Commission, SPS was the third most successful campaigner with a total income of \$27 million, as of the end of October. After subtracting the required \$15 million ruble deposit for those parties not currently sitting in the Duma, SPS has a war chest of \$12 million, placing the party in fourth place behind YR (\$80 million), LDPR (\$72 million) and the KPRF (\$20 million). However, SPS's funds dwarf those of SR and Yabloko, whose hold \$6.5 and \$4.25 million respectively.

### The Chicken or the Egg

111. (SBU) Even party members such as Dmitriy Oreshkin find it difficult to resolve the "chicken or the egg" question: did SPS go oppositional because its deal with the Kremlin collapsed, or did the deal collapse because SPS went oppositional? Certainly, there is convincing evidence that central and especially regional authorities are stepping up their pressure on SPS, but it is less clear whether such measures are the cause of the party's more radical shift or a result thereof. Some, including Vzglad Deputy Editor Ilin, see the influence of SPS Duma deputy and political scientist Anton Bakov as guiding the party toward an election strategy that flaunts the "rules of the road" to attract the protest vote. As such, this new tactic would follow the party's

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earlier decision to herald social justice issues, including pandering to pensioners, as a means to broaden the party's attraction to rural voters and senior citizens -- groups that tend to participate in elections. Others speculate that SPS may have followed the "rules of the game" long enough to get through the registration process before launching a very different sort of political campaign, using "Other Russia" in a calculated bid to draw voters from Russia's anti-establishment camp.

112. (SBU) Speaking about the defections of top SPS regional candidates, Deputy Director of the Center for Political Technologies Aleksey Makarkin told Nezavisimaya Gazeta that SPS has grounds to blame the regime, which has used administrative pressure to minimize political risk and restrict certain rights. However, he views the radicalization of the party as playing a significant role as well. Regional businessmen form the base of the party's support and Makarkin doubts that many of them are willing to follow the party leadership into full opposition. Thus comments by "defectors" such as the former head of the party's Nizhniy Novgorod branch that the party leadership has opted for slogans of "We don't like Putin" and "We support

pensioners," rather than the traditional liberal messages of market and democratic reform, may accurately express the disappointment that he and other party members feel about the direction of the SPS campaign.

113. (SBU) COMMENT: One perhaps unintended result of the more aggressive SPS campaign has been to force other political parties to "step up to the plate" and offer their own criticisms of Putin and the administration. SPS's eagerness to point fingers at the Kremlin has compelled even the wily Vladimir Zhirinovskiy to turn at least some of his vitriolic criticism away from the easy targets of the KPRF and SR and to complain about the Kremlin's policies. Gozman's allegation that the Kremlin sees SPS as its primary opponent could become a self-fulfilling prophecy. If the party leadership does indeed follow through with its plans to join the "Dissenters Marches" this fall, we expect the authorities to ramp up even further their campaign against SPS leaders. At the same time, we will be watching to see if the decision to cross this particular Rubicon leads to an increase in the party's popularity (estimated at about 1 percent of the population, according to polling) or to further defections or even the collapse of the party.

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